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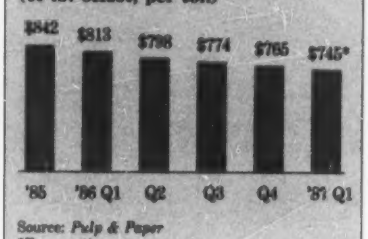
Lifting single-copy sales

Selling magazines on the newsstand is no simple matter. But you can do things with your magazine or its distribution plan to make a difference; nine publishing executives tell how. **94**

Oversupply lowers No. 5 coated prices

Paper prices are still dropping as a result of overcapacity and weak demand. See FOLIO:'s special report. **24**



More small magazines offer regional ad buys

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ly use available SMRB and MRI data for intermedia comparisons.

'Measurement nirvana'

The most complex—and far off—use of magazine metering would be in a "single-source" system whereby one meter tracks an individual's exposure to all major media and his or her product purchases. The closest current applications are the BehaviorScan and ScanAmerica tracking systems. But these fall far short, Douglas said, because they measure only exposure to television. A true single-source system—which he calls "measurement nirvana"—would take into account all other variables that influence purchasing decisions, such as distribution and display factors, coupon and other promotions and product quality. Such sophistication in a metering system is "illusion and fantasy"—and probably will be so a decade hence, Douglas said.

At best, the researcher concluded, metering magazines could be useful for validating audience measurement, "but in pursuit of that extra degree of precision to improve media planning, the cost of metering magazines could be far greater than the need to understand the ultimate magazine 'truth.' "□

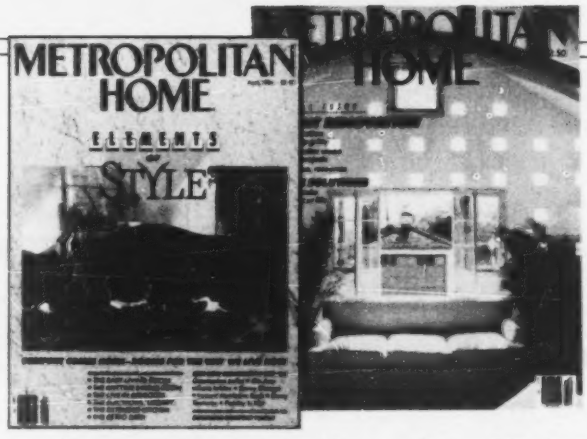
Paper prices still dropping

Overcapacity, weak demand further depress No. 5 coated prices

With excess production capacity already on line at U.S. paper mills and more capacity in the wings, paper merchants and magazine paper buyers are predicting further price drops for the coated groundwood commonly used in magazine printing. For magazine publishers, this points to another good year for paper purchasers.

In December, Irving Herschbein, director of manufacturing and distribution at Conde Nast, reported for FOLIO: on sagging prices and weakness in the supply/demand situation. Although lower paper prices appear to favor publishers, Herschbein notes,

Bucking the trend to smaller trim sizes



The market is willing to pay more for a quality product, says **Metropolitan Home** ***publisher Burzon. He switched to a larger format with heavier paper for an upscale look.***

A popular tactic among publishers to cut paper consumption has been to reduce magazine trim sizes. The "standard" size today is some 12 percent smaller than it was perhaps a decade ago. In response to publisher demand, printers are increasingly going to shorter cut-off presses that trim to 10½".

According to Ted Felton, director of manufacturing, Hearst magazines, and a speaker at the recent Graphic Communications Association's Printer/Publisher Symposium, shaving trim sizes has provided substantial savings for magazines: *Town & Country* cut paper costs by $145,000 per year, *Sports Afield* by $68,000 annually and *Good Housekeeping* by $1.5 million a year.

By no means, however, is the trim trend entirely downward. In a considerably smaller countertrend, some titles are increasing trim size and improving paper quality in pursuit of the upscale reader.

Meredith's *Metropolitan Home* is one of them. "We're looking at an attitude in a growing segment of our market," said publisher Stephen Burzon. "There's emotion and prestige in buying a quality product and in advertising in a quality product."

Burzon explained that the advertising community did not consider *Metropolitan Home*'s readers to be as high quality as the title's publishers did. Part of the problem was price.

Metropolitan Home was at the low end for both cover price and advertising cost per thousand. Burzon switched the title to heavier stock and expanded the trim to 9" x 10⅞". He also raised advertising rates 40 percent. Since the October changeover ad pages have increased. Some readers have also responded by paying their sub bills.

"We felt we had plenty of room to pay for upgraded production," remarked Burzon. "We figured that we may be able to make more money by improving quality rather than by reducing quality."

they also reflect weak demand from the magazine industry, which has experienced flat or declining ad page sales.

Since that report, several mills have unofficially cut their prices for No. 5 coated groundwood; it appears prices will remain soft through first-quarter 1987. At FOLIO:'s press time, merchants and buyers reported that coated free-sheet prices appear stable, but uncoated stock prices are rising. However, most believe that widespread price discounting on spot sales between mills and major buyers would force across-the-board price reductions for coated groundwood.

"It's a waiting game to see which mill will stick its neck out first," says Joel Reiss, *Newsweek*'s director of materials, who at year-end anticipated

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list price cuts of $20 to $30 per ton on coated groundwood for early 1987.

Overcapacity here and abroad

The root of the paper companies' problem is the greatest overcapacity for No. 5 coated groundwood in history. Consolidated Papers, Bowater Inc. and Repap Enterprises all started up new machines in 1986, adding some 600,000 tons of capacity. An additional machine at International Paper Co. was about to come on line at year-end.

According to some brokers, the start-up tonnage coming out of these mills is partially responsible for discounting, as mills try to secure customers with low price inducements.

At the same time, foreign paper manufacturers, many of which entered the domestic market several years ago when the market was tight and have since decided to stay, are adding to the oversupply. European and Japanese paper companies have new capacity and oversupply problems of their own at home. Rick Irwin, senior vice president at Gould Paper Corp., a New York paper merchant, complains of widespread "dumping" by foreign suppliers. "They're selling their paper here at lower prices than what they're selling it for in their own backyard," he says.

Coated groundwood imports account for 4 percent to 5 percent of domestic consumption, according to *Pulp & Paper*. Executive editor Will Mies predicts imports will play a lesser role in the future, however, following an approximate 9 percent decrease in imports for 1986 over the previous year; a dollar value that makes foreign products less competitive; and new U.S. capacity that will further undercut foreign price competitiveness.

No increase in demand

Publishers' demand for coated groundwood is likely to remain soft. *Newsweek*'s Reiss says that most publishers estimate flat business for 1987, which means static or lower demand for standards such as 34-pound coated papers. Higher basis weights may experience stronger demand and stable prices because of their greater strength in the commercial printing market.

One merchant says that "most publishers are pretty happy with their current inventory levels," and he expects to see no significant changes in buying patterns. That, of course, excludes the possibility of disruptions such as labor strikes. Mill unions appear to be more moderate of late, he adds, and buyers are more sensitive to potential disruptions.

Reiss notes that most publishers build increases into their paper budgets to allow buyers to act quickly—before anticipated price hikes take effect.

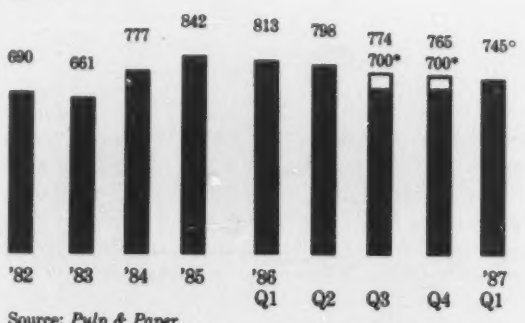
Eventually the cycle will reverse itself, as it has in the past. This time around, however, Irwin says, paper manufacturers will force coated groundwood into exceedingly tight supply—pushing prices up substantially—before opening a new supply. That extreme, he notes, may be as long as three years away.□

***Paper transaction prices** have dropped well below list price over the last year under pressure from increasing capacity, imports and discounting. Prices to publishers are expected to remain soft through 1987.*

Oversupply pushes No. 5 coated prices down

(40-lb. offset paper)

price/ton



Source: *Pulp & Paper*

*Some transaction prices discounted below $700 per short ton.

°FOLIO: estimate based on reports of unofficial 3% discount to select contractual customers.

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7,609	Active Canadian Subscribers	75.00/M

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RODALE'S ACTIVE SPORTS NETWORK

49% of weeklies delivered late

The percentage of weekly publications delivered late stood at 49 percent during the third quarter of 1986, exactly where it was during the second quarter, but somewhat below the 57 percent level for the first quarter. During the second half of 1985, 55 percent of weeklies were delivered late.□

Publications delivery box score:
Weekly publications, July—September 1986

City	On time	1 day late	Later
Composite average*	**51%**	**29%**	**20%**
Boston (Area 021)	53	31	16
New York (Area 100)	56	30	14
Buffalo	62	25	13
Pittsburgh	47	33	20
Philadelphia	41	35	24
Washington, D.C.	43	27	30
Atlanta	38	28	34
Miami	47	32	21
Memphis	54	21	25
Cincinnati	45	36	19
Detroit	71	20	9
Milwaukee	62	25	13
Minneapolis	60	32	8
Chicago	60	29	11
New Orleans	20	24	54
Dallas	46	34	20
Houston	35	33	32
Denver	42	32	26
Los Angeles	67	19	14
San Francisco	62	23	15
Seattle	57	23	20

*Including other U.S. cities and SCFs not listed.
Data based on experience of 33 weekly business and consumer publications accounting for 1,500,000 copies in the mail each week and predicated on delivery as newspapers. Most publications monitored maintain multiple additional entries and air freight to post office of entry.
Source: Red Tag News Publications Association, Inc.

Brown postal sacks to replace white

Postal workers were still giving white-sacked mail slower service

Washington, D.C.—The USPS is phasing in a program this year to replace the white canvas mailing sacks used by monthly magazines with brown sacks used for delivering weeklies and newspapers. Under this procedure, all second class publications will be shipped in brown bags.

The aim is to give monthly publications the same treatment in terms of processing at post offices that has been afforded weeklies and newspapers, says Ralph Stewart, USPS media relations officer. Monthlies should see an improvement in delivery as a result of the program, he asserts.

The new system is a follow-up to the merger of monthlies into the preferential mailing network that took place in January 1985. Monthlies' publishers have said that, since then, their delivery has improved; publishers of weeklies have complained that service for them has worsened. But monthlies still appear to have received poorer service than weeklies have as a result of being placed in white mailing sacks: Such titles were processed more slowly than were weeklies and newspapers in brown bags.

"Our postal people have certain in-

72% of monthlies delivered late

Delivery of monthly second class publications continued to improve during third-quarter 1986. The percentage of publications delivered late fell to 72 percent, down from 74 percent in second-quarter 1986. The downward trend continues from first-quarter 1986 and fourth-quarter 1985, when 78 percent and 80 percent of monthly magazines were delivered late, respectively.□

Publications delivery box score:
Monthly second class publications, July—September 1986

City	Better than USPS standard	Service standard	1-6 days late	Later
Composite average*	**8%**	**20%**	**64%**	**8%**
Boston (Area 021)	10	23	61	6
New York (Area 100)	2	19	66	13
Buffalo	0	6	75	19
Pittsburgh	6	16	73	5
Philadelphia (Area 191)	2	30	57	11
Washington, D.C.	0	10	76	14
Atlanta	9	18	68	5
Miami	26	21	50	3
Memphis	3	30	60	7
Cincinnati	8	21	57	14
Detroit	2	21	60	17
Milwaukee	0	28	72	0
Minneapolis	6	18	73	3
Chicago	0	21	69	10
New Orleans	0	3	77	20
Dallas	15	18	62	5
Houston	15	19	64	2
Denver	12	23	65	0
Los Angeles	11	17	68	4
San Francisco	20	32	35	13
Seattle	30	29	41	0

*Including other U.S. cities and SCFs not listed.
Source: Red Tag News Publications Association, Inc.

grained habits," explains Stewart. "Over the years, when they saw a brown sack it meant newspapers, which get preferential treatment. White canvas sacks don't mean that to them. Even after the rule change, people handled them the way they always had out of force of habit."

The solution is simply to get rid of white bags, replacing them with brown ones. The USPS will incur no major costs in doing this, Stewart notes, adding that weekly magazine publishers should not worry that their service will be adversely affected.

Jack Widener, director of distribution for *Newsweek*, agrees that the new program should not have a negative effect on weeklies, particularly large ones such as *Newsweek*, which keep a very high profile in postal processing centers. If there is any impact, he says, it will be on smaller weeklies.

Dan Dolman, distribution manager for CMP Publications, also doesn't expect weeklies to suffer, in his case because CMP mails its monthlies during the week to avoid overlaps with weeklies, which are mailed near or during the weekend for Monday arrival.

Dolman adds that the all-brown sack program should improve service for monthlies. "Just because you mail a monthly, you don't want to wait a month to see it delivered," he says. When processing mail "postal workers don't look at the content, they look at the sack."

Gerald Burdick, circulation marketing director for three Bill Communications publications, also believes that the new procedures will result in

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From this information, the most salient selling themes should become obvious. Skip the exercise, Sahlein said, and you won't know what will appeal to subscribers.

Letter format

Emphasizing that writing strong direct mail copy is often an agonizing process, Sahlein offered a simple format on which any promotion letter can be modeled.

At the top of the letter, repeat the teaser copy used on the envelope. Move to the salutation, making it as specific as possible. The letter's opening line should promise one major benefit from subscribing—such as "Now you can stay up to date on . . . "

The next five to 10 lines, according to the copywriter, should elaborate on the opening-line benefit. You may also want to describe here the consequences of not subscribing. This is an optional tactic.

A short transition line—for example, "How can you do it?"—then leads the reader into a description of the newsletter. A brief mention of a premium in the description section will keep the prospect reading, Sahlein said. End the first page in the middle of a sentence—a "page-turner" device.

Additional benefits of subscribing are detailed in the sales letter's inside pages, according to Sahlein's format. The benefits are actually newsletter features phrased to best emphasize the reader's needs. The feature "news on current Federal Trade Commission rulings," for instance, is turned around to read "know what the FTC is doing—in time to act."

Before closing the letter with a sales offer, you may want to introduce the newsletter's editor or describe the company. These tactics can add authority or credibility to the product. The key is to include only information that will impress the target reader.

End with sales pitch

The last page should hold the sales pitch. Start with the offer without mentioning price. "People are looking for a chance to throw [the letter] away, and that's the first reason," Sahlein explained. This tactic also allows the publisher to test prices by changing only the order card, not the whole letter.

After making the offer, reiterate the premium, state the guarantee, restate the consequences of not subscribing, repeat the opening teaser and sign off with a command to order *now*. Finally, Sahlein said, add a P.S. and the newsletter's logo at the bottom of the page.□

Coen forecasts 7.6% ad growth

Agency exec expects slow year for magazines, but notes growth in some categories

Total U.S. advertising expenditures crossed the $100-billion mark in 1986, gaining 7.7 percent to reach $102.1 billion, according to the annual media outlook from Robert Coen, senior vice president, McCann-Erickson. But for the second consecutive year, national marketers' spending in the major media rose less than the gross national product did.

In total, magazines last year brought in $5.36 billion in ad sales, up 4 percent over 1985. However, they showed considerably less growth than did the other major media. Television ad expenditures jumped 9.8 percent, to

1986 expenditures in major mass media

	% over 1985	($000,000)
Newspapers	+7.0	$26,940
Magazines	+4.0	5,360
Radio	+7.5	6,975
Television	+9.8	21,475
4-media total	+6.9	$60,750

Source for charts: Robert Coen, senior vice president, McCann-Erickson.

Magazines fared worse than the other mass media last year because of softness in cigarette, liquor and computer advertising.

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The outlook for 1987

Media budgets	Change over 1986	1987 projections ($000,000)
Major national broadcast	+6.3%	$17,855
National print	+4.8	9,270
Other national	+8.7	34,200
Total national	+7.4	61,325
Total local	+7.8	48,495
Grand total	+7.6%	$109,820

***The industry can expect** a continued malaise in print budgets because of the softness in several critical categories. Print will be lucky to achieve its 1986 levels, states Coen.*

Top-product category changes

(3-media expenditures: 9 mos. 1986 vs. 9 mos. 1985)

	Network TV	Spot TV	Magazines	Total 3 media
Foods	0%	+ 2%	+19%	+ 3%
Toiletries	- 8	-15	0	- 7
Automobiles	+17	-37	+11	+23
Drugs/remedies	+ 6	- 8	+10	+ 5
Cleaners/waxes	+ 2	- 7	- 3	0
Candy/soft drinks	-10	+ 7	+ 6	- 1
Restaurants	+ 9	+11	+ 6	+ 10

***Magazines** showed strength in several major categories, most notably foods, automobiles and drugs and remedies. Toiletries, however, have been sluggish since a 1984 peak.*

$21.475 billion, although much of the strength was in spot TV and cable television. *(See "Briefings," January 1987, page 11.)*

Magazines' troubles stemmed primarily from softness in tobacco, liquor and computer advertising. The medium is making gains in other major categories, however, notably foods, automobiles, drugs and remedies, apparel and financial services.

Coen reports that food advertising, one of the larger categories, was up 19 percent in magazines during the first nine months of 1986, compared to the same period the year before. Network television showed no growth in this sector, while spot TV registered a 2 percent gain for the period.

Magazines also posted strong gains in automobile and drug and remedy advertising. Expenditures increased 11 percent and 10 percent, respectively, through third-quarter 1986, according to Coen. However, he expects the auto industry's spending increases to slow considerably in 1987.

Magazines also enjoyed big gains in some smaller, specialized ad categories. Spending by brokers and mutual funds, for example, surged 90 percent in magazines for the first nine months of 1986.

Coen calls the advertising outlook for 1987 "mixed," with many marketers continuing to maintain strict control over ad budgets. Ad growth in the major mass media is not likely to be much greater than growth in the overall economy, which Coen forecasts at 5.7 percent, including inflation at 3.2 percent. The advertising executive expects a "continued malaise" in national print budgets (magazines and newspapers). He predicts 4.8 percent growth there, to $9.27 billion, this year. Spending on direct mail will be particularly strong—up 10 percent, Coen predicts. Total ad spending is forecast to be $109.82 billion, up 7.6 percent.□

Lasers brighten gravure outlook

***The consistent accuracy** of Crosfield's Lasergravure system eliminates much of the costly hand labor involved in engraving gravure cylinders—savings that will eventually reach publishers.*

Time and labor benefits of laser engraver step up transition to filmless pre-press

With two of its new Lasergravure systems now installed in North America, Crosfield Electronics, Inc., appears to have grabbed a leading edge in the technology that closes the loop in direct digital, filmless pre-press for rotogravure printing.

Crosfield's laser gravure cylinder engraving systems were installed last fall at Texas Color, a Dallas subsidiary of magazine printer Providence Gravure, and more recently at Batten Gravure, Toronto. Batten specializes in packaging-industry printing, but its $2-million investment in the technology reflects the gravure industry's overall commitment to improving pre-press

Computer publishing's whiz kid

The latest computer trend is desktop publishing, and David Bunnell is there, as usual, with a magazine

He is not even 40 years old, but David Bunnell is already responsible for founding no fewer than four of the industry's most successful computer magazines. And as anyone in publishing knows, success doesn't come easily in that field.

"His genius—and I really think he is a genius—is in understanding very, very clearly where the personal computing industry is going and being able to project . . . what products and services will fit into that marketplace. His ability to think that through and see it in advance is what sets him apart from other people." So says Bart Rhoades, president and chief executive officer of PCW Communications, of which Bunnell, 39, is chairman and editor in chief.

The company's newest project, *Publish! The How-to Magazine of Desktop Publishing*, is a typical Bunnel success story: In March it will go from bimonthly to monthly six months ahead of schedule. *Publish!* was founded in 1985 by an independent editorial team, Cheryl Rhodes and Tony Bove. The title was purchased in March 1986 by PCW, the $40-million-a-year, San Francisco-based subsidiary of International Data Group (IDG), parent of computer publishing giant CW Communications. PCW also publishes *PC World*, *Macworld* and two computer-related newsletters.

Rhodes and Bove have remained with *Publish!* as contributing editors. Says Rhodes, "We see David as a pioneer in the personal computer and magazine publishing industries, and his organization was the right organization for us to work with . . . His magazines are very profitable in a short period of time, and [PCW] has a reputation for producing quality products."

Under Bunnell's editorial direction and the artistic hand of Jacqueline Poitier, vice president, art and design (and Bunnell's wife), PCW has transformed what was a relatively unsophisticated product into a high-quality editorial/graphics package. The new title first ran as an insert in the July 1986 issues of *PC World* and *Macworld*. It had its premiere as a stand-alone bimonthly last September and, according to Bunnell, posted a profit after only its second issue. "The market is growing a bit faster than we had projected," he says of the company's decision to take *Publish!* monthly sooner than planned. "We're selling more pages than we thought we would, and subscriptions are coming in at a faster clip than expected."

The magazine practices what it preaches regarding desktop publishing: It is produced using such electronic publishing tools as Apple Macintoshes, Microsoft Word software for writing and text editing and Aldus Pagemaker for layout.

"A lot of what we're doing is already done on larger systems like Atex; duplicating that functionality on low-cost personal computers is what's revolutionary about it," Bunnell says. "We're pushing desktop technology to its limits, and we see *Publish!* as a lab for that technology."

Make the world better

It may sound like a cliche, but Bunnell wants to make the world a better place—and he believes that expanding the scope of personal computing to its fullest potential is one way to reach his goal. He has created or developed several publications—*Personal Computing*, *PC*, *PC World*, *Macworld* and now *Publish!*—that have reached new audiences and, remarkably, have stayed afloat in a sea of competitive titles.

Bunnell's professional publishing career began in the early 1970s, when

"If you really understand your market and have a feel for it, that's better than all the market research in the world," asserts Bunnell.

he joined a small firm, Mits, as a technical writer. In 1975 Mits introduced Altair, the first commercial microcomputer.

"That experience really got me very excited," Bunnell recalls. "I could see that personal computers had potential to have a very beneficial and meaningful impact on society . . . to diffuse technical power so the *individual* has more power, more resources, more freedom."

Sensing the need for a publication directed to nontechnical types, Bunnell left Mits in 1976 to start *Personal Computing*, financed by Binwell, a Boston publishing house.

"I felt very strongly that there needed to be a magazine that was consumer oriented and spoke to people who wanted to use computers . . . but who didn't really need to understand how they worked," he says.

Personal Computing was purchased from Binwell by Hayden Publishing Co. in 1980, shortly after Bunnell moved to the West Coast. Hayden, with *Personal Computing* as its crown jewel, was just acquired by VNU United Dutch Publishing Companies.

Ziff dispute

Bunnell has a paternal instinct toward his magazines, which, he says, are "like living, breathing things" that require nurturing to survive. In fact, he is still embroiled in something of a custody suit over one of his creations—*PC*, which he founded in 1981. Against Bunnell's wishes, the title was sold the following year to Ziff-Davis Publishing Co. by investor Tony Gold. Bunnell had hoped *PC* would be sold to PCW's parent IDG, which he joined soon after. At this writing he is awaiting the start of a trial to settle the *PC* ownership dispute.

Bolstered by IDG's strength—and a win over Ziff in its attempt to enjoin him from doing so—Bunnell quickly launched *PC World*, a direct competitor to *PC*. Of the top-10 microcomputer magazines, *PC* holds about an 18 percent share of ad pages to *PC World*'s 12 percent share, according to Adscope, a tracking service. The PCW title published its largest issue in terms of ad pages—290 of a total of 450—in November 1986 and boasts a total paid circulation of about 315,000.

The competitive fire was not a significant factor, however, when Bunnell took over the editorial helm of *Publish!*, then named *Desktop Publishing*. "It's not just a computer magazine," Bunnell asserts. "It's a magazine for *publishers*. I think all publishers are going to be using what we now call desktop publishing. It's already happening, but it will happen in a much bigger way," he predicts.

According to Bunnell, only *Personal Publishing*, published by a small Chicago-area company, also covers the industry. "The only real competition would come from a much bigger company like Ziff-Davis or McGraw-Hill," he says. "But I think we've pre-empted the market."

Animal instinct

On what does Bunnell base his generally on-target projections about computers and publishing? "It's an animalistic instinct that can't be . . . turned into a formula, thank God," he says. "If you really understand your market and have a feel for it, that's much better than all the market research in the world."

Bunnell, who turns 40 in July, isn't out of ideas yet. Although he says he won't write any more computer books (he penned *Personal Computing, A Beginner's Guide* and coauthored with Adam Osborne *An Introduction to Microcomputers*) because they're "dull stuff," he's toying with the idea of doing a book on the *PC* drama. "It would be about business, publishing, personal computing and people," he says.

Bunnell's attitude toward his own success is a mixture of pride, self-satisfaction and powerful desire to do more—much more. "I'm still young," he says. "There is a lot I can do with my life."—*Amy Lipton*

Top-10 microcomputer end-user titles by advertising pages*

January-September 1986

Title	Pages	% Share
PC Week	4,874	27.4%
PC	3,161	17.8
Byte	2,485	14.0
PC World	1,968	11.1
Info World	1,306	7.3
Personal Computing	1,064	6.0
Macworld	929	5.2
A+	760	4.3
80 Micro	675	3.8
Lotus	569	3.2
Total:	17,791	100%

Source: Adscope Inc.
*Does not include those aimed at programmers and other technical users.

Four of the top-10 microcomputer end-user magazines were the brainchild of David Bunnell—PC, Personal Computing, PC World *and* Macworld.

Management

Brack

Reginald K. Brack Jr. is the new chief executive officer of Time Inc.'s magazine group, replacing **Kelso F. Sutton**. Sutton moves to Brack's former post, chief executive officer of Time's book division, which includes Time-Life Books; Book-of-the-Month Club; Little, Brown & Co.; and Time-Life Video. Brack, who joined Time in 1962, became associate publisher of *Time* in 1976 and founding publisher of *Discover* in 1980. He is credited with turning around Time-Life Books after arriving in 1982. Two years later he was named group vice president of Time Inc. Head of magazine operations for six years, Sutton had been responsible for Time's first major magazine acquisition, Southern Progress Corp., as well as for the ill-fated *TV Cable Week* venture and the recently aborted *Picture Week*. **Glenn A. Britt** to vice president and treasurer, Time Inc., from senior vice president and chief financial officer of Time Inc.'s subsidiary, Home Box Office, Inc. **Philip R. Lochner Jr.** becomes head of the company's corporate law department as well as vice president. He had been senior vice president and general

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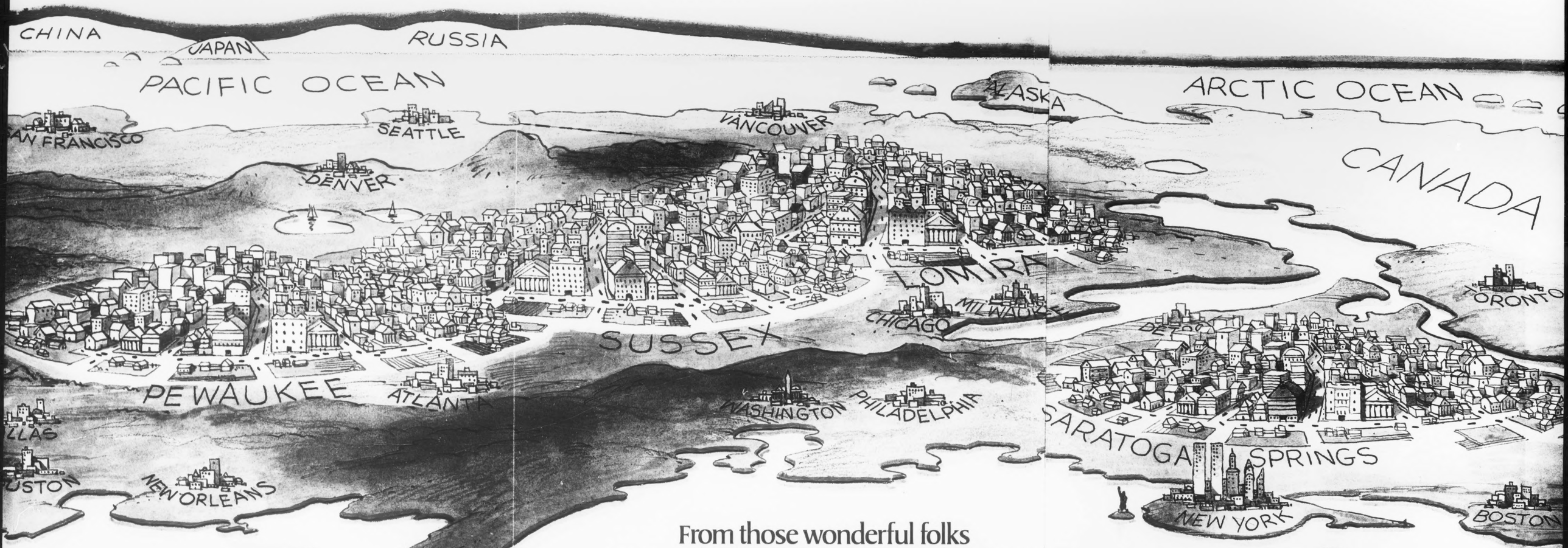

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